

Private-Sector Coordination Support Annex

Coordinating Agency:

Department of Homeland Security

Cooperating Agencies:

All

Introduction

Purpose

This annex describes the policies, responsibilities, and concept of operations for Federal incident management activities involving the private sector during actual or potential Incidents of National Significance. In this context, the annex further describes the activities necessary to ensure effective coordination and integration with the private sector, including the Nation’s critical infrastructure, key resources, and other business and industry components.

Scope

- This annex applies to all Federal agencies operating under the National Response Plan (NRP) in a potential or actual Incident of National Significance that involves the private sector in any of the following ways:
 - Impacted organization or infrastructure¹
 - Response resource
 - Regulated and/or responsible party
 - Member of the State emergency management organization
- Because the NRP provides an integrated national framework that includes the private sector in incident management activities, this annex addresses only those aspects of incident management regarding the private sector that must be emphasized because of their uniqueness or importance.

- This annex does not alter existing private-sector responsibilities for emergency management under the law. Existing contractual or other legal relationships between Federal agencies and the private sector are not supplanted by this annex.
- The roles and interfaces of volunteer and nongovernmental organizations are detailed in the Volunteer and Donations Management Support Annex.
- The roles of Sector Specific Agencies (SSAs), as defined in HSPD-7, are addressed in more detail in the Emergency Support Function (ESF) Annexes.
- Detailed processes, procedures, and protocols for incident management coordination with the private sector are developed and promulgated separately by the Department of Homeland Security (DHS).

Policies

- The Federal Government encourages cooperative relations between private-sector organizations and State, local, and tribal authorities regarding prevention, preparedness, mitigation, response, and recovery activities related to Incidents of National Significance. It works cooperatively on incident planning, communication, and operational execution activities with these entities.

¹ That falls within the definition of “Critical Infrastructure and Key Resource (CI/KR),” as described in Homeland Security Presidential Directive-7 (HSPD-7), Critical Infrastructure Identification, Prioritization, and Protection, and as they relate to the NRP.

- The Federal Government encourages processes that support informed cooperative decisionmaking. It takes actions that engage the private sector at the strategic (e.g., chief executive officer (CEO), corporate president, or other senior leadership, etc.) and operational levels to ensure:
 - Effective and efficient use of private-sector and Federal resources;
 - Timely exchange of information; and
 - Public and market confidence in times of crisis or catastrophe.
- The Federal Government encourages extensive two-way sharing between the public and private sectors of operational information and situational awareness relative to potential or actual Incidents of National Significance. The Federal Government works cooperatively to develop and apply processes, procedures, and communications protocols that support such sharing at the strategic leadership and operational levels.
- The Federal Government encourages members of the CI/KR community to organize sector-coordinating and information-sharing mechanisms suitable for their sectors or areas of concern.
- The Federal Government encourages owners and operators of those infrastructure elements whose disruption may have national or regional impact to develop appropriate emergency response plans and information-sharing processes and protocols tailored to the unique requirements of their respective sectors or industries, and mapped clearly to regional, State, local, and tribal emergency response plans and information-sharing networks.
- The Federal Government encourages private-sector organizations to develop and maintain capabilities needed to respond to and manage a complete spectrum of incidents and emergencies, except in cases where the capabilities are inherently governmental in nature.
- In certain circumstances, Federal law requires appropriate authorities to include private-sector representatives in incident management planning and exercises; when not required, it encourages such participation whenever practical.
- The Federal Government may direct private-sector response resources in some cases in which contractual relationships exist. The Government also retains its full authorities to oversee and control as appropriate infrastructure involved in an incident. Through the Defense Production Act² and the Homeland Security Act, DHS has the authority to redirect production and distribution of certain incident management resources, if required.
- The Federal Government treats information provided by the private sector, from receipt through destruction, in a manner consistent with applicable statutes and regulations. These handling procedures include Protected Critical Infrastructure Information, providing exemption from disclosure, to protect from unauthorized disclosure appropriately designated proprietary or otherwise sensitive company information.
- The Federal Government avoids actions that disrupt existing relationships between voluntary aid providers at the local, State, or national level when eliciting additional offers of goods and services.
- The Federal Government conducts after-action critiques of the procedures detailed in this annex with private-sector participants when they are exercised in national-level, DHS-sponsored exercises; it shares such critiques appropriately with private-sector participants.

² See the Defense Production Act of 1950, as amended, as referenced in the section on private-sector roles and responsibilities in the NRP Base Plan.

Concept of Operations

General

- The operational concept for incident management involving the private sector is the concept specified in the NRP and the National Incident Management System.
- The concept of operations in this annex covers the specific organizations and actions developed which are required to effectively and efficiently integrate incident management operations with the private sector. These are detailed in the sections that follow.

Organizations for Operations With the Private Sector

General: Specialized organizations that facilitate coordination with the private sector are designed to provide for critical needs as listed below.

- Processes to determine the impact of an incident on the sector involved, as well as to forecast cascading effects of interdependencies between sectors.
- Procedures for communication that facilitate a shared situational awareness across industry and infrastructure sectors and between the public and private sectors.
- Procedures for coordination and priority-setting for incident management support and response, and the rationing or prioritizing of the delivery of goods and services after an incident.
- Processes to inform Federal Government decisionmakers to help determine appropriate recovery and reconstitution measures, particularly in cases where they may result in indemnity, liability, or business losses for the private sector.
- Procedures for the Federal Government to obtain, under the Defense Procurement Act and other authorities, goods and services necessary for the restoration and recovery of CI/KR and other key elements of the economy on a priority basis.

Department of Homeland Security: In the event of a potential or actual Incident of National Significance, the DHS Office of the Secretary coordinates strategic communications with CEOs, senior officials, or individuals specifically designated by these private-sector leaders to engage in such communications on their behalf. Further, the Secretary of Homeland Security utilizes a private-sector advisory group with representatives from across the spectrum of CI/KR, business, and industry, as well as nongovernmental organizations (NGOs), to provide advice on incident management and emergency response issues affecting their constituencies. The Office of the Secretary assigns the responsibility for private-sector threat or incident communications to appropriate organizations within DHS. These organizations are detailed below.

- **Private Sector Office (DHS/PSO):** The DHS/PSO encourages private-sector preparedness for incident management by identifying and promoting private-sector community efforts, including security activities in national preparedness, prevention, response, and recovery efforts, promoting educational efforts to prepare for natural disasters or terrorist incidents, and encouraging the identification and sharing of best practices. DHS/PSO provides a representative to the Homeland Security Operations Center (HSOC) and Interagency Incident Management Group (IIMG) to enable strategic coordination with the private sector during potential or actual Incidents of National Significance.
- **Information Analysis and Infrastructure Protection/Infrastructure Coordination Division (DHS/IAIP/ICD):** The DHS/IAIP/ICD supports prevention, preparedness, response, and recovery efforts involving the CI/KR community, in accordance with HSPD-7, and other private-sector entities as appropriate, through facilitating and coordinating protection and response planning, procedures, and exercises. DHS/IAIP/ICD implements the programmatic policy and strategy for information-sharing. Three key DHS/IAIP/ICD functions are:

- **National Infrastructure Coordination:** Within the HSOC, the National Infrastructure Coordinating Center (NICC) monitors the Nation's CI/KR on an ongoing basis, and provides a coordinating mechanism to share and exchange information with the private sector and the HSPD-7 SSAs. In a potential or actual Incident of National Significance, the NICC is a key component in providing situational and operational information as well as a capability to monitor and share information with other private-sector entities as required.
- **Critical Infrastructure Preparedness Planning and Coordination Support:** DHS/IAIP/ICD facilitates the development, implementation, and exercise of CI/KR's national response plans across sectors, and other industry sectors as appropriate. DHS/IAIP/ICD supports sectors in developing their own sector coordination and information-sharing mechanisms.
- **Infrastructure Liaison During NRP Operations:** In an Incident of National Significance involving the implementation of the NRP, DHS/IAIP/ICD provides a representative to the National Response Coordination Center (NRCC) and to the IIMG, to enable coordination with the CI/KR community at the national level. DHS/IAIP/ICD also deploys an Infrastructure Liaison to the Regional Response Coordination Center (RRCC)/Joint Field Office (JFO) to provide regional-level coordination and liaison functions to the CI/KR community for the RRCC/JFO Coordination Staff, in support of the JFO Coordination Group. The Infrastructure Liaison:
 - Serves as the principal advisor regarding national and regional CI/KR, and other relevant businesses and industry;
 - Coordinates with private-sector entities, SSAs, and State, local, and tribal governments;
 - Acts as liaison between national- and regional-level CI/KR, the private sector,

and the JFO by conveying information about the Nation's CI/KR and private-sector status;

- Facilitates operational-level communication with the private sector during an incident; and
- Communicates with the DHS/IAIP/ICD representative at the IIMG, NRCC, and NICC.

The Infrastructure Liaison focuses on the broad impacts and status of actions relating to affected CI/KR, as opposed to the direct provision of goods or services. Restoration of critical infrastructure and operational coordination with impacted telecommunications, energy, and other utilities and systems is conducted through the established ESFs.

Sector-Specific Agencies

- Under overall DHS coordination as indicated in HSPD-7, SSAs identify, prioritize, and coordinate the protection of CI/KR sectors to prevent, deter, and mitigate the effects of deliberate efforts to destroy, disrupt, incapacitate, or exploit them.
- Under HSPD-9 and HSPD-10, certain SSAs are required to take actions to identify and prioritize CI/KR sectors for establishing protection requirements, develop awareness and early warning capabilities to recognize threats, and enhance response and recovery procedures.

Private-Sector Involvement With Incident Management Organizations: Private-sector involvement with incident management organizations is determined in large measure by the nature, scope, and magnitude of the incident. For most incidents, private-sector involvement is centered on internal, local, and State organizations; for Incidents of National Significance, industry, State, and Federal organizations become more involved; for truly catastrophic incidents, State and Federal organizations have primary responsibilities, and provide proactive resource and operational support functions to save lives and contain the incident.

- **Private-Sector Incident Management Organizations:** Private entities such as businesses and industry associations develop, validate, exercise, and implement security and business continuity plans to ensure their capability to deliver goods and services to customers and as a responsibility to their owners. Assessments of and contingency plans for the disruption of a private entity's supply chain and other dependencies are usually included in this planning. In many communities, private-sector owners and operators coordinate their security programs and continuity/contingency programs and plans with State, local, and tribal governments' emergency response plans. A number of industry sectors have developed information-sharing arrangements to facilitate coordination necessary to share homeland security information with competitors and with governments.

- **State and Local Incident Management Organizations:** Many States coordinate across regions to support various response activities. Their incident management organizations act as conduits for requests for Federal assistance when an incident exceeds local and private-sector capabilities.

The on-scene incident command and management organization is located at the Incident Command Post. It is typically comprised of incident management officials and responders from Federal, State, local, and tribal agencies. It may include private-sector and nongovernmental organizations when appropriate.

- **Federal Incident Management Organizations:** Private-sector as well as State, local, tribal, and nongovernmental organizations are encouraged to assign liaisons to the JFO to facilitate interaction, communication, and coordination. In some instances, the JFO Coordination Group may include NGO and/or private-sector representatives.

Notification and Reporting

- Private-sector organizations, like Federal, State, local, tribal, and nongovernmental organizations, report threats, incidents, and potential incidents to the HSOC using existing jurisdictional incident reporting mechanisms and reporting channels. The HSOC receives threat and operational information regarding incidents or potential incidents from these jurisdictions and makes an initial determination to initiate the coordination of Federal incident management activities.
- In partnership with the HSOC, the DHS/IAIP manages the daily analysis of incident-related reports and information. This management includes maintaining communications with private-sector critical infrastructure information-sharing mechanisms. Such communications includes conducting daily polling of the standing information-sharing mechanisms for incidents and abnormalities by the NICC.

Actions Related to Operations With the Private Sector

Pre-Incident

- DHS/PSO facilitates the development and presentation of general educational programs for the private sector that increase awareness and understanding of terrorist threats, and encourages the sharing of appropriate information and use of best practices that contribute to early warning of potential incidents.
- DHS/IAIP/ICD facilitates and encourages the organization of industry sectors to cooperate on information-sharing and other prevention and mitigation activities.
- DHS/IAIP/ICD maintains relationships with the CI/KR sector to identify requirements for capabilities and support. DHS/IAIP/ICD develops and implements programs and capabilities that continuously improve the two-way exchange of information with the private sector to contribute to more effective alerts, warnings, and advisories.

- DHS/IAIP/ICD maintains situational/operational awareness of CI/KR through the NICC working in conjunction with the information-sharing mechanisms. It assesses the data it receives to identify anomalies in sector operations, working closely with CI/KR owners and operators. After assessing information on incidents and threats, it disseminates alerts, warnings, and advisories for both government and private-sector entities.
- DHS/IAIP/ICD, with support from other entities within DHS and in conjunction with relevant SSAs, encourages, facilitates, and coordinates CI/KR and other industry sectors to develop and implement industry best practices for preparedness, perform sector-wide preparedness planning and implementation, plan coordination with regional and local government plans, and perform cross-sector integration of plans.
- DHS/IAIP/ICD supports sector-specific and cross-sector exercises and provides representation in exercises led by the private sector and State and local governments.

Initial Actions: Actions are initiated at the IIMG, NRCC, and RRCC to facilitate coordination with relevant private-sector entities. The ESFs also implement established protocols for coordination with private-sector counterparts at the national and regional levels.

- To facilitate private-sector coordination, DHS assigns representatives to the various NRP organizations.
 - At the IIMG, the DHS/PSO representative acts as a liaison to communicate at a strategic level to private-sector leadership. The IIMG private-sector liaison coordinates communication with private-sector senior leadership and with the NRCC to maintain awareness of resource needs that can be met by voluntary donations and nonprofit crisis support organizations. They also coordinate the assessment of the economic impact of the incident with private-sector senior leaders and other Federal department or agency liaisons as appropriate.
 - At the HSOC, the DHS/IAIP/ICD representative monitors the operational

status of CI/KR and facilitates coordination and sharing of situational awareness with and among the CI/KR and other industrial sectors as needed. The NICC coordinates between the owners and operators of CI/KR and other private assets, and the appropriate SSAs to ensure that they are informed regarding activities pertaining to their areas of responsibility. SSAs coordinate with the NICC to ensure that it is informed regarding CI/KR vulnerabilities and activities.

- At the RRCC and JFO, the DHS/IAIP/ICD Infrastructure Liaison supports the Principal Federal Official (PFO)/Federal Coordinating Officer (FCO)/Federal Resource Coordinator (FRC). The Infrastructure Liaison acts as the point of contact and facilitates coordination with the national-level NRP elements and appropriate ESF representatives regarding local/regional matters relating to CI/KR and the private sector. The Infrastructure Liaison provides analysis and recommendations to the PFO/FCO for restoration of the infrastructure and related allocation and prioritization of resources.

- **Emergency Support Functions:** At the NRCC, RRCC, and JFO, the ESFs establish contact with private-sector counterpart organizations and/or industry to assist in assessment of impacts and identification of resources available to support potential or actual incident management efforts. In some circumstances, priorities of incident management actions are developed by a partnership of Federal, State, and private-sector entities.

Ongoing Actions

- For any incident losses, the private sector first seeks reimbursement from insurance and then may seek Federal disaster assistance, primarily in the form of low-interest disaster loans from the U.S. Small Business Administration.
- DHS/PSO and other DHS entities, as assigned, assist and facilitate private-sector relationships with DHS as they implement recovery plans and return to normal operations.

- DHS/IAIP/ICD maintains situational awareness through the recovery of CI/KR and acts as a conduit of information to and from sectors through the NICC. DHS/IAIP/ICD assists or facilitates infrastructure owners and operators in

restoration of facilities, working under existing authorities, in coordination with private-sector organizations and consortia that are organized for these purposes.

Responsibilities

Department of Homeland Security

- Develops plans, frameworks, and relationships, and facilitates coordinated incident response planning with the private sector at the strategic, operational, and tactical levels.
- Shares information, including threats and warnings, before, during, and after an incident.
- Informs and orients the private sector on the contents of the NRP, and encourages and facilitates the development and coordination of equivalent private-sector planning.
- Coordinates and conducts national and regional incident management functions with the private sector and State, local, and tribal governments.
- Develops, implements, and operates information-sharing and communication strategies, processes, and systems with homeland security stakeholders.

Sector-Specific Agencies

- The primary agency(ies) for each ESF is responsible for developing and maintaining working relations with its associated private-sector counterparts through partnership committees or other means (e.g., ESF #2, Communications – telecommunications industry; ESF #10, Oil and Hazardous Materials Response – oil and hazardous materials industry; etc.).
- SSAs are responsible for exercising their ESF authorities for recovery of CI/KR sectors owned and operated by the private sector.

Private-Sector Entities

- Private-sector organizations support the NRP either through voluntary actions to help ensure business continuity or by complying with applicable laws and regulations.
- Private-sector organizations accept an appropriate measure of responsibility for sharing information with the government, identifying risks, performing vulnerability assessments, developing contingency and response plans, enhancing their overall readiness, implementing appropriate prevention and protection programs, and donating or otherwise providing goods and services through contractual arrangement or government purchases to assist in response and recovery from an incident.
- Certain organizations are required by existing law and regulation to bear the cost of planning and response to incidents, regardless of cause. In the case of an Incident of National Significance, these private-sector organizations are expected to mobilize and employ the resources necessary and available in accordance with their plans to address the consequences of incidents at their own facilities or incidents for which they are otherwise responsible.

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